# THE MYSORE ELECTRICITY (TAXATION ON CONSUMPTION) ACT, 1959 (14 OF 1959)

## ARRANGEMENT OF SECTIONS

*Sections.*

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*MYSORE ACT No. 14 OF 1959.*

*(First published in the* Mysore Gazette *on the Tenth Day of September,* 1959.)

# THE MYSORE ELECTRICITY (TAXATION ON CONSUMPTION) ACT, 1959.

*An Act to provide for the levy of tax on the consumption of electrical energy in the State of Mysore.*

Whereas it is expedient to provide for the levy of tax on consumption of electrical energy in the State of Mysore;

BE it enacted by the Mysore State Legislature in the Tenth Year of the Republic of India as follows:—

1. *Short title, extent and commencement.*—(1) This Act may be called the Mysore Electricity (Taxation on Consumption) Act, 1959.

(2) It extends to the whole of the State of Mysore.

(3) The provisions of this Act, except section 13, shall be deemed to have come into force on the first day of July, 1959.

2. *Definitions.*—In this Act, unless the context otherwise requires,—

(1) "consumer" includes a local auhority, company or other person to whom energy is supplied by a licensee on payment of charges or otherwise, and a licensee or other person who consumes energy generated by himself, but does not include a licensee to whom energy is supplied by the State Electricity Board for supply to others; and the word "consume" with its grammatical variations shall be construed accordingly;

*Explanation*:—Where a licensee to whom energy is supplied by the State Electricity Board for supply to others, himself consumes any part of the energy, he shall be deemed to be a consumer in respect of energy so consumed.

(2) "energy" means electrical energy;

(3) "licensee" means—

(*a*) the State Electricity Board constituted under section 5 of the Electricity (Supply) Act, 1948 (Central Act LIV of 1948);

(*b*) any person licensed under Part II of the Indian Electricity Act, 1910 (Central Act IX of 1910), to supply energy and includes any person who has obtained the sanction of the State Government under section 28 of the said Act ; and

(*c*) the State Government when it is engaged in the business of supplying energy ;

(4) "notification" means a notification published in the Official Gazette ;

(5) "prescribed" means prescribed by rules made under this Act.

3. *Levy of tax on consumption of energy.*—Subject to the provisions of this Act, there shall be levied and paid to the State Government on the units of energy consumed every month, a tax (hereinafter referred to as "electricity tax") calculated at a rate not exceeding three naye paise per unit of energy as may, by notification, be specified by the State Government, and different rates may be specified in respect of different classes of consumers :

Provided that where the units of energy supplied to a consumer for non-domestic purposes are not determined by a meter, but—.

(*a*) the units of energy consumed are determined on the basis of any formula adopted by the licensee, the electricity tax shall be levied and paid on the units of energy determined on the basis of such formula ; or

(*b*) where flat rates are charged by the licensee for the supply of energy to any consumer, the electricity tax shall be levied and paid as follows :—

For every lamp of less than 30 Watts—Ten naye paise per mensem.

Fore every lamp of 30 Watts or more, but less than 40 watts—Thirteen naye paise per mensem.

For every lamp of 40 Watts or more, but less than 60 Watts—Twenty naye paise per mensem.

For every lamp of 60 Watts or more, but not exceeding 100 Watts—Thirty-three naye paise per mensem.

And for every additional 15 Watts or fraction thereof in excess of 100 Watts in any lamp—Three naye paise per mensem.

4. *Payment of electricity tax.*—( ) Every licensee shall collect and pay to the State Government at the time and in the manner prescribed, the electricity tax payable under this Act on the units of energy supplied by him to consumers. The tax so payable shall be a first charge on the amounts recoverable by the supplier for the

energy supplied by him and shall be a debt due by him to the State Government:

Provided that where the licensee has been unable to recover the amounts due to him for the energy supplied by him he shall not be liable to pay the tax in respect of the energy so supplied.

(2) A licensee may be granted a rebate of such amount, as may from time to time be determined by the State Government regard being had to the cost of collection of the electricity tax incurred by such licensee:

Provided that the amount of rebate shall not exceed two per cent of the electricity tax collected by the licensee.

(3) Every person, who consumes energy generated by himself, or who supplies energy to any other person free of charge, shall pay, or collect and pay, as the case may be, to the State Government, at the time and in the manner prescribed, the electricity tax payable under section 3 on the units of energy consumed by himself or supplied to such other person.

(4) When any consumer fails or neglects to pay at the time and in the manner prescribed, the amount of electricity tax due from him, the licensee or, as the case may be, the person supplying energy free of charge, may without prejudice to the right of the State Government to recover the amount under section 7, after giving not less than seven clear days' notice in writing to such person, cut off supply of energy to such person; and he may, for that purpose, exercise the power conferred on a licensee by sub-section (1) of section 24 of the Indian Electricity Act, 1910, for the recovery of any charge or sum due in respect of energy supplied by him.

(5) Nothing in this section shall apply—

(*i*) to any person who generates energy for the purpose of supplying it for the use of vehicles or vessels;

(*ii*) to the consumption of energy generated by means of generators not exceeding five kilowatts in capacity.

5. *Books of account, etc.*—Every licensee and every person not being a licensee referred to in sub-section (3) of section 4 shall keep books of account, in the prescribed form and submit to the State Government or to the prescribed officer, returns in such form and at such times as may be prescribed, showing the units of energy consumed by him or supplied by him to each consumer, as the case may be, and the amount of tax payable thereon and recovered or paid by him under this Act, or showing such other particulars as may be prescribed.

6. *Inspecting Officers.*—(1) The State Government may, by notification, appoint Inspecting Officers to inspect the prescribed books of account kept under section 5.

(2) (*a*) Where an offence under sub-section (1) has been exercise such powers as may be prescribed for the purpose of carrying into effect the provisions of this Act and the rules made thereunder.

(3) Every Inspecting Officer appointed under this section shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code (Central Act XLV of 1860), and the Prevention of Corruption Act, 1947 (Central Act II of 1947).

7. *Recoveries.*—Any sum due on account of electricity tax, if not paid at the time and in the manner prescribed, shall be deemed to be in arrears, and thereupon such interest not exceeding twelve per cent per annum which the State Government may by general or special order fix shall be payable on such sum ; and the sum, together with any interest thereon, shall be recoverable either through a civil court or as an arrear of land revenue,—

(i) if the sum was payable under sub-section (1) of section 4 either from the consumer or, subject to the proviso to the said sub-section from the license, at the option, of the State Government;

(ii) if the sum was payable under sub-section (3) of section 4, either from the consumer or from the person supplying energy free of charge, at the option of the State Government, or from the person who generates energy for his own consumption.

8. *Power of State Government to notify exemptions and reductions of tax.*—The State Government may, by notification make an exemption or reduction in rate in respect of the tax payable under this Act—

(i) on energy supplied or consumed for any specified purpose or

(ii) by any class of consumers.

9. *Penalties.*—(1) If any person liable under section 5 to keep books of acount or submit returns fails to keep or submit the same in the manner prescribed or obstructs an Inspector in the exercise of his powers and duties under this Act, or contravenes any rule made under section 10, he shall, on conviction, be punished with fine which may extend to five hundred rupees.

(2) The Inspecting Officers shall perform such duties and committed by a company, every person who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the com-

pany, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly :

Provided that nothing contained in this clause shall render any such person liable to any punishment provided in the aforesaid sub-section if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(b) Notwithstanding anything contained in clause (*a*) where an offence under sub-section (1) has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.*—For the purposes of this sub-section,—

(*a*) "company" means a body corporate, and includes a firm or other association of individuals ; and

(*b*) "director" in relation to a firm means a partner of the firm.

10. *Power to make rules.*—(1) The State Government may, by notification, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, the State Government may make rules.—

(*a*) prescribing the time and manner of payment of the electricity tax under sections 3 and 4 ;

(*b*) prescribing the form of the books of acount to be kept and the times at which the form in which and officers to whom the returns required by section 5 shall be submitted ;

(*c*) prescribing the powers and duties of Inspecting Officers : and

(*d*) providing for any other matter of which there is no provision or insufficient provision in this Act and for which provision is, in the opinion of the State Government, necessary for giving effect to the provisions of this Act.

11. *Rules and Notifications to be laid before State Legislature.*—Every rule made under section 10 and every notification issued under section 8 or 14 shall be laid as soon as may be after it is

made or issued before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two or more sessions and if, before the expiry of the said period, either House of the State Legislature directs any modification in such rule or notification or directs that such rule or notification shall not have effect, and if the modification or direction is agreed to by the other House, the said rule or notification, as the case may be, shall thereafter have effect only in such modified form or be of no effect, as the case may be.

12. *Repeal and savings.*—The Mysore Electricity (Taxation on Consumption) Act, 1950 (Mysore Act XX of 1950), as in force in the Mysore Area, Part II of the Bombay Finance Act, 1932 (Bombay Act II of 1932) as in force in the Bombay Area and the Madras Electricity Duty Act, 1939 (Madras Act V of 1939), as in force in the Madras Area, shall stand repealed :

Provided that such repeal shall not affect—

(*a*) the previous operation of the said enactments or anything duly done or suffered thereunder ;

(*b*) any right, privilege, obligation or liability, acquired accrued or incurred under the said enactments ; or

(*c*) any penalty, forfeiture or punishment incurred in respect of any offence committed against the said enactments ; or

(*d*) any investigation, legal proceeding (including assessment proceeding) or remedy in respect of any such right, privilege, obligation, liability, forfeiture or punishment as aforesaid :

and any such investigation, legal proceeding or remedy may be instituted, continued or enforced any such Penalty, forfeiture or punishment may be imposed as if this Act had not been passed.

13. *Repeal of Mysore Ordinance No. 2 of 1959 and savings.*— The Mysore Electricity (Taxation on Consumption) Ordinance, 1959, is hereby repealed ;

Notwithstanding such repeal—

(i) any right, privilege, obligation or liability acquired, accrued or incurred under the said Ordinance ;

(ii) any penalty, forfeiture or punishment incurred in respect of any offence committed against the said Ordinance ; and

(iii) any appointment, notification, order, rule or form, made or issued or anything done or any action whatsoever taken under the said Ordinance;

shall be deemed to have been acquired, accrued or incurred, or made, issued, done or taken under this Act at the relevant time.

14. *Power to remove difficulties.*—(1) If any difficulty arises in giving effect to the provisions of this Act in consequence of the transition to the said provisions from be provisions of the enactments repealed by section 12 the State Government may, by notification, make such provisions as appear to it to be necessary or expedient for removing the difficulty.

(2) If any difficulty arises in giving effect to the provisions of this Act (otherwise than in relation to the transition from the provisions of the enactments repealed by section 12), the State Government may, by notification, make such provisions, not inconsistent with the purposes of this Act as appear to it to be necessary or expedient for removing the difficulty.